

## State of Utah Department of Commerce

Division of Securities

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**NEWS RELEASE** 

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<u>Vice-President of Imposter Company to Stop Fraudulent Securities Sales</u>

New company was formed with the same name as old company, pretended to be successor...

**SALT LAKE CITY, Utah** – A default order was entered today against Tim Haskin, of Las Vegas, Nevada for attempting to deceive investors and trading markets that Flavor Brands, Inc. was the same company as a Utah company that went out of business in 1999. Haskin was vice-president of Flavor Brands, Inc. The Order requires that Haskin cease offering securities to the public, cease portraying Flavor Brands as the same company as a prior Utah company, and pay a \$50,000 fine.

The default Order describes how a Utah company named Turkey Jerky was formed in March 1984 and did a public stock offering in 1985. Because of that stock offering, investors could buy and sell shares of Turkey Jerky that were sold in the public offering. The company later changed its name to Flavor Brands. In 1999, the company was dissolved for failing to file its annual report with the Utah Division of Corporations. In 2001, the reinstatement period expired and the company's termination became permanent. At that point, the shares ceased to have any value.

In 2005, a group of promoters out of Nevada, including Haskin, formed a new Utah company, calling the new company the same name as the defunct company – Flavor Brands, Inc. According to the Division, the promoters then told stock transfer agents and electronic trading networks (such as the Pink Sheets) that the new company was the successor to the old company. As such, the promoters hoped to be able to sell shares they had issued to themselves to other investors at huge profits. The new company even used the same stock symbol as the prior company, a tactic called "symbol rustling."

The transfer agent for the original Flavor Brands company told the Division what was happening. When the company failed to remove its listings from the Pink Sheets, the Division issued an Emergency Cease and Desist Order on August 21, 2006. Haskin filed some initial responses to the Emergency Order but then failed to provide other information required by the Presiding Officer. On September 21, 2006, officers of the company voluntarily dissolved Flavor Brands, so it ceased to exist as an entity.

A default order also has been entered against the company, Flavor Brands, Inc. The Division's Emergency Order also alleges that two other Flavor Brands officers besides Haskin violated the law by participating in this scheme to evade the registration requirements and to mislead investors. The proceedings against one of those officers, J.D. Pulver, are still pending.